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TRANSKOM DIGITAL



Stocks

DGEN ▲ 0.43%
6,432.50

CSCX ▲ 0.13%
12,136.88

IDLC Index

IDLC 50 ▲ 0.24%
6,786.11

Asian Markets

MUMBAI ▲ 1.03%
17,651.73

TOKYO ▲ 2.76%
9,535.74

SINGAPORE ▲ 1.26%
2,897.15

SHANGHAI ▼ 0.25%
2,415.15

Currencies

	Buy Tk	Sell Tk
USD	68.78	69.78
EUR	85.63	89.70
GBP	103.09	107.38
JPY	0.76	0.81

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold ▲
\$1,203.75
(per ounce)

Oil ▲
\$74.53
(per barrel)
(Midday Trade)

SOURCE: AFP

IFC pledges support for power sector

UNB, Dhaka

The International Finance Corporation (IFC) yesterday expressed its interest to support Bangladesh in power, health and education sectors.

"We've discussed our interest to support further development of power sector through independent power producers and public-private-partnerships," said Rashad Kaldany, IFC vice president for Asia, Eastern Europe, Middle East and North Africa.

Kaldany was speaking after meeting Finance Minister AMA Muhiith at his ministry yesterday.

The IFC official said they hardly had facilities for over \$100 million of trade finance and they work through four local banks.

On independent power producers, he said: "We'll be happy to provide long-term debt financing and equity as far as technical assistance to set this up in a sustainable way."

Muhiith said the IFC would continue assisting the country as it provided earlier in various sectors.

Tk 1,000cr whitened

Stockmarket takes up 36pc of total investment

REJAUL KARIM BYRON

More than Tk 1,000 crore in black money was legalised in four categories last fiscal year, with stockmarket and apartment and land purchases taking up the most.

In another development, the National Board of Revenue (NBR) earned about Tk 900 crore more revenue than the target for the last fiscal year, for the second time in the last 10 years.

According to provisional data by NBR, 1,923 people whitened Tk 1,173 crore by investing in stockmarket, flat and land purchase and BMRE (balancing, modernisation, rehabilitation and expansion) last fiscal year.

NBR received Tk 123 crore in taxes on these investments.

The stockmarket received a 36 percent share of the black money

invested last year.

Last fiscal year, people were given scope to whiten black money by paying 10 percent tax and investing in the share market, new industry and BMRE.

Most of the money was whitened in the last two months of the fiscal year.

Only 81 people used the scope and legalised Tk 57 crore from July to April of 2009-10.

BY THE NUMBERS			
Category	Number of People	Amount Invested*	Tax Revenue*
Flat and land purchase	1,320	250	29
Capital market	296	427	43
Industry and infrastructure	162	239	25
BMRE	145	257	26
TOTAL:	1,923	1,173	123

* (in Tk crore)

In the case of flat and land purchase, undisclosed money holders were given a chance to legalise their money by paying fees of different amounts, depending on the size of the flat and land.

An NBR official said when people realised that the time to legalise undisclosed money would not be extended, they thronged to whiten money in the last half of the year.

In the current fiscal year, the

scope to whiten money in the four categories has been stopped. The provision will only be there for people who invest in Bangladesh Infrastructure Finance Fund (BIFF).

Under the immediate past caretaker government's time, 56,845 people legalised Tk 9,773 crore by paying Tk 911 crore in taxes.

Since fiscal 1976-77, all successive governments provided the opportunity to whiten black money, but the response was lukewarm in the early years.

Under the last Awami League's time in fiscal 2000-01, only Tk 1,000 crore was whitened.

In the last four-party alliance rule, around Tk 2,000 crore was legalised under the money whitening opportunity for three fiscal years.

NBR collected revenue worth Tk 61,799 crore last year, which was Tk 799 crore higher than the target.

SEC squeezes share loans

STAR BUSINESS REPORT

The Securities and Exchange Commission (SEC) yesterday squeezed scope for merchant banks and brokers to lend against stocks, a measure designed to calm the sometimes-overheating market.

From Sunday, merchant banks and brokers will be allowed to lend at 1:1 ratio to investors, meaning a client will get Tk 1 against his holding worth Tk 1.

The earlier ratio of margin loan -- a credit provided by merchant banks and brokers against securities held by investors -- had been 1:1.5.

The latest cap on lending will be applicable to fresh loans, the regulator said.

The new move comes more than two weeks after the SEC imposed restrictions on margin lending against securities with the price-earnings ratio over 40.

The SEC observed that an increased flow of liquidity to the market added to the risks of losses, especially for new entrants.

"We have taken the decision to minimise the risks for new investors and ensure long-term stability in the market," said Farhad Ahmed, executive director of SEC,

in a press briefing at its office.

"Liquidity flows are high in the market. And margin loans are one of the factors in rising liquidity," he said.

The benchmark index, DGEN, on Dhaka Stock Exchange, rose by 27.78 points or 0.43 percent to 6,432.50 yesterday.

A robust half-yearly operating profit of banks, expectations of better earnings of non-bank financial institutions and a cut in the interest rate on savings instruments cheered up investors.

In another measure, the regulator has started checking up on

brokerage houses and merchant banks to make sure that they are compliant with the securities rules.

"We will take action if we find any irregularity," said Ahmed. "We are also examining the reasons behind the recent rise in the prices of life insurance stocks."

The market has been on the upward curve with only occasional slips, since the major correction on February 22 when DGEN lost 137.95 points.

On June 16, single-day turnover hit a new high of Tk 2,486 crore in a sign of liquidity glut in stockmarket.

Tax ombudsman's office no more

STAR BUSINESS REPORT

The government is set to abolish the post of tax ombudsman, as it did not play an effective role in the tax system, said Finance Minister AMA Muhiith yesterday.

"We are no longer keeping the post." He said a new law would have to be enacted to abolish the post.

Replying to queries made by reporters, Muhiith said: "I am astonished at how such an institution had been set up, which does not have any power."

"The judgment of the tax ombudsman depends on me."

After the post was created, Khairuzzaman Chowdhury was appointed as the first tax ombudsman, whose tenure ended yesterday.

Chowdhury took office on July 9, 2006, for a four-year term.

An ombudsman is an independent official who is appointed to investigate

the complaints that people make against public organisations.

The tax ombudsman's office, which receives income tax-related complaints mainly, took 10 complaints in 2006. The number increased to 119 in 2007, 241 in 2008 and 357 in 2009.

The government established the tax ombudsman's office in July 2005, under the Tax Ombudsman Act 2005, and spent around Tk 10 crore on it in the last four years.

The tax ombudsman is appointed by the president and serves as an alternative to the adversarial system for resolving the disputes between citizens and the government.

The tax ombudsman deals with disputes arising between citizens or taxpayers and the tax authorities. It provides redress to the taxpayers against harassment from misadministration, abuse of power, negligence and corruption of the tax officials.

Forex reserve crosses \$11b mark

STAR BUSINESS REPORT

The foreign currency reserve has crossed \$11 billion, shattering two records in a year.

The reserve stood at \$11.02 billion yesterday and it crossed \$10 billion mark for the first time this year.

Central bank officials attribute the record reserve to remittance growth and imports slowdown.

The reserve was \$7.47 billion on June 30 in 2009 and rose to \$10.74 billion in the same time this year.

High remittance inflow is one of the major factors behind this. In the last fiscal year remittance growth was low at 13 percent but in volume it was \$10.97 billion.

AB BANK LIMITED
Registered Office: BCIC Bhaban, 30-31, Dilkusha C/A., Dhaka

SHAREHOLDERS' INFORMATION

Board of Directors of AB Bank Limited (ABBL) in its 460th meeting held on July 08, 2010 (Thursday) at 5:15 p.m. resolved on the following:

"The Board of Directors of AB Bank Limited has decided to sponsor a Closed End Mutual Fund in the name of "AB Bank Top-100 Index Fund" to the tune of Tk.200 crore.

"AB Bank Limited will subscribe 25% (i.e. Tk.50(fifty) crore) of the fund as Sponsor and the rest will be raised through pre-IPO placement and IPO subject to approval of the Securities & Exchange Commission."

Dhaka, July 08, 2010

Sd/-
Company Secretary

AB Bank

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